

digit earnings growth it had come to regard as its due. Worse, I.B.M. was gaining on E.D.S. for total contracts won and would roar past in 1996.

It was in this atmosphere that E.D.S. prepared its \$162 million bid to issue and consolidate direct loans over a five-year period. The bid was at least 50 percent lower than the one submitted by the Maryland company that had been doing the job, the CDSI/Business Applications Solutions unit of Computer Data Systems Inc. E.D.S. soon won a second five-year contract, worth \$378 million, to service the loans.

Thomas A. Green, president of the CDSI unit, said that his company had already started to see a surge in interest in the direct-loan program—and the Education Department should have known that. "We were sending out applications all the time, so it was clear that the popularity of the program was growing," Mr. Green said. "They weren't blind-sided at what it was going to be when they took over," he said of E.D.S.

Mr. Green also said his company was never as backlogged as E.D.S. has been. He said CDSI consolidated 144,000 loans in the 22 months between January 1995 and November 1996, when it finished its work. The average consolidation took 65 to 70 days, he added.

That compares with an average of 142 for E.D.S., according to Mr. Smith, the Education Department official. E.D.S. has processed about 54,000 loans since taking over last September, he told the House panel.

One of those affected by the delays is Robyn Higbee, who says she went back and forth on the phone for six months to consolidate two of her husband's law school loans totaling \$18,500. Mrs. Higbee struggled with this as the family moved from Virginia to California, her husband studied for the bar exam and started a new job, the couple bought their first home and she gave birth to a baby who required heart surgery.

"It was just something that was totally unnecessary," Mrs. Higbee, 25, said of the loan complications.

Randolph Dove, a spokesman for the company in its Washington-area office, while not familiar with the details of Mrs. Higbee's and Mrs. Elmore's cases, said that E.D.S. regretted the difficulties any students have had. "We've been working very hard and have a lot of people dedicated to resolving this," he said.

Over all, E.D.S. has recovered from its dry spell in winning contracts. I.B.M. won \$27 billion in new business last year, compared with E.D.S.'s \$8.4 billion, according to Greg Gould, a computer services analyst at Goldman, Sachs, but this year E.D.S. has already won or is close to signing \$16.4 billion worth of contracts. Also, gross margins are up for the work E.D.S. managers are bringing in—25 percent rather than the 16 percent on contracts in 1994 and 1995, Mr. Gould said. And top management has increased its control of underlings who may have been tempted to bid too low to win a contract, he added. "There's that winner's curse," he said. "You want to win and you just lower your price until you win the contract."

The prognosis for direct student loans is murkier. E.D.S. expects to have the kinks out of its system and its backlog erased by Dec. 1, Mr. Dove said. Students can then start applying once more for consolidations, he said.

But the concern over the logjam is undercutting the Government's plans to expand the program. Representative McKeon, who introduced the legislation now before the education committee, concedes that there are not enough opponents of direct loans to kill the program outright. But his bill would at least end the Government's monopoly over consolidation that restricts all students who have any direct loans.

For E.D.S.'s part, Mrs. Vance said that the publicity would not have much impact on the company's prospects. "One contract is not going to set a trend or be a deterrent for new business," she said.

The Education Department, however, is considering whether to cancel the \$378 million contract with E.D.S. for servicing the loans. Such a move could come because applications for new loans are, oddly enough, now running below expectations. A cancellation would not be related to the problems with the consolidations, a department spokesman said, adding that another company's servicing contract is also in jeopardy.

But even some of the lawmakers who mostly blame the Education Department for the program's troubles are asking whether E.D.S. should be punished by being docked part of its pay. Representative Peter Hoekstra, Republican of Michigan, said he might favor doing that.

Even without that penalty, however, E.D.S. will feel some pain, Mr. Hoekstra said, adding, "I wouldn't want to be identified as the vendor that forced the Federal Government to shut down consolidations in the direct-loan program with a backlog of 84,000 kids."

Mr. JEFFORDS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL COSPONSORS—S. 1319

Mr. BYRD. Mr. President, I ask unanimous consent that the name of Mr. LEVIN, Mr. JEFFORDS, and Mr. LEAHY be added as cosponsors to S. 1319, a bill to repeal the Line-Item Veto Act.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JEFFORDS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

MORNING BUSINESS

Mr. JEFFORDS. Mr. President, in behalf of the leader, I ask unanimous consent that there now be a period for morning business with Senators permitted to speak for up to 5 minutes each until 3 p.m..

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JEFFORDS. Mr. President, I yield the floor.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BRYAN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BRYAN. Mr. President, I ask unanimous consent to speak as if in morning business with the understanding that if the distinguished floor leader is prepared to move forward, I am prepared to yield the floor back to him for purposes of conducting his business.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BRYAN. I thank the Chair again.

NUCLEAR WASTE POLICY ACT OF 1997

Mr. BRYAN. Mr. President, yesterday, in perhaps the most antienvironmental vote of the Congress, the House of Representatives passed the Nuclear Waste Policy Act of 1997. Like the Senate bill that passed earlier this year, the House bill unfairly targets Nevada, a State with no nuclear reactors, as the final destination for 80,000 metric tons of high-level nuclear waste produced by the U.S. commercial nuclear utilities, most of which are located in the East.

The central feature of the bill passed by the House yesterday, like the Senate bill, is the establishment of so-called interim storage of high-level commercial nuclear waste at the Nevada test site, about 80 miles north of the metropolitan Las Vegas area, an area that comprises some 1 million citizens.

Like its Senate counterpart, the House bill tramples on decades of environmental policy, ignores public health and safety and exposes the American taxpayer to billions of dollars in cost to solve the private industry's waste problem.

Fortunately, the President has indicated that he will veto either version of this misguided legislation. We have secured the votes in the Senate to sustain President Clinton's veto.

While yesterday's House vote falls slightly short of the number required to sustain a veto in the House, we are still within striking distance of the required number, and I believe that in the end this bill has little or no chance of becoming law.

As I have discussed many times here on the Senate floor, the nuclear power industry's legislation is nothing but corporate pork, plain and simple. It is a bailout for a dying industry at the expense of both the pocketbooks and the health and safety of the American public.

Nevada, as the industry's chosen destination for its waste, has obvious objections to this legislation. But, Mr. President, other regions are also rightfully concerned with the potential impact on their citizens. Under this legislation, in just a few short years, 16,000 shipments of toxic, high-level nuclear waste will be transported by rail and highway through 43 States. More than 50 million Americans live within 1 mile of the proposed rail and truck routes.

The bill requires the transportation of waste through many of our largest